BUSINESS STRATEGIES ON BUSINESS TO BUSINESS IN ORDER TO INCREASE TURNOVER SALES IN THE COMPANY’S SERVICE DELIVERY UD. XYZ

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ABSTRACT

The purpose of this thesis is to study and analyze the business strategy that UD. XYZ should be applied in order to achieve growth in market share for sales of transport services. This research applies PEST analysis, Five Forces Porter Analysis, and SWOT Analysis. The method being used in this research is descriptive qualitative method with an inductive approach. The techniques being used to collect data are interviews, observation, and documentation. The result of this research shows that UD. XYZ using special price and effective communication toward the customer. The SWOT Analysis shows the company at quadrant IV (ST) which the company should be able to maximize strength and create more opportunities, and at the conglomerate strategy, which means the purpose this strategy is adding a product or service that is not interconnected with different market. The result of SWOT analysis will be got alternative strategy, namely: a) raising competitiveness of corporation, b) providing competitive prices, and c) offering a contract with the customer as a binder. The competition that happened between sending corporation is too high, therefore, it’s better for UD. XYZ to use an alternative strategy above.

Key Words: SWOT Analysis, Five Forces Model Porter, PEST, Marketing Mix

INTRODUCTION

The East Java province is one of the provinces that provide greater participation in the national economy after Jakarta. The magnitude of the potential economic growth of East Java that requires the support of a strong transportation sector because it is an important element of transportation which serves as an artery of the economy in East Java. One of the companies engaged in the field of logistics is UD. XYZ. UD. XYZ is a provider of ground transportation services for transporting goods to cities, provinces (AKAP) and to the islands as well.
The conditions of competition in a highly competitive corporate world logistics of UD. XYZ must formulate an efficient and effective business strategy which is purposed to win the market. Because of seeing the target market of UD. XYZ is a corporate, so then required an analysis of internal and external environment. One of the tools of analysis to be used by UD. XYZ is a SWOT analysis and supported by the external environment analysis (EFAS) and internal environment analysis (IFAS). The SWOT analysis is one of the means for management to take the direction of wisdom that efficiently as well as to determine the effectiveness of the strategies needed for the pattern of management of the company to achieve its goals, and help obtain the ideal business strategy.

Business strategy it own can be discussed in more detail associated with the various elements, such as in relation to the satisfaction of the consumer, with the market, with the marketing mix, product life cycle, nor with international marketing. This research will address specifically the context of business strategy in relation to the marketing business to business, with an emphasis on the marketing mix. Marketing business to business or B2B is marketing a product or service between companies with characteristics of the marketing of goods or services in greater numbers, and usually with special prices, because the purchase is carried out by the number of lots in order to resell (Andam in Jonathan, 2012:27).

Research Problem
Based on explanation about the background research that has been put forth, then the author tried to formulate the problem in the form of the question is as follows:

1. What is the business strategy at business to business delivery services company at UD. XYZ?
2. How are the implications for business strategy at business to business done UD. XYZ to improve turnover sales?

Research Objectives
1. To find out the business strategies on business to business delivery services company at UD. XYZ
2. To know the implications for business strategy at business to business done UD. XYZ to increase turnover sales.

Limitations of this Research Issue
- This research only limit on business strategy at business to business on corporate service delivery by focusing on discussion of the marketing mix.

LITERATURE REVIEW
Marketing Mix
The marketing mix according to Assauri (2011:198) is a combination of a variable or an activity that is at the core of the system marketing, variables can be controlled by the company to influence the reactions of the purchaser or consumer. Meanwhile, according to Stanton in the Miselia (2013:264) States that the marketing mix (the marketing mix) is a combination of four variables or an activity that is at the core of the company's marketing system, that is, product, pricing, promotional activities, and distribution systems.

Product
According to Tjiptono in Wowor (2014:1229) stated that the product is everything that is offered to the producer note, requested, sought, bought, used, or consumed in the market as the fulfillment of the needs or wishes of the markets concerned. According to Gitosudarmo in Sunyoto (2014:69) stating that the product was everything that was expected to meet human needs or your organization. A company often sells or market their products not just one, but a variety of products.
Price
Kotler and Armstrong in Tjahjono et al. (2013:3) says that the price is the amount of money that must be paid by the consumer to acquire the product. The price is the one element of the marketing mix that generates income while the other elements give rise to or is the cost. The price should be measured by the perceived value of the offer, or is not, then the buyer will purchase products not hide him.
According to Brittnor and Zeithaml in Tjahjono et al. (2013:3) stated that the notion of price against the value of the customer are grouped into four, namely:
1. Value is low price
2. Value is whatever I want in a product or services
3. Value is the quality I get for the price I pay
4. Value is what I get for what I give

Promotion
Assauri (2015:265) argues that the company’s efforts to influence by wooing (persuasive communication) the prospective purchaser, through all the elements of the reference marketing.
Kismono (2011:395) defines promotion of business is done to induce the other party marketers in order to participate in exchange activities.
According to Kotler and Armstrong (2010:76) stated that the promotion is a string of information that is communicated to the consumer that sellers aim to change the behaviour of consumers who don't know be knowing so decided to buy that product.

Place
According to Walter in Sunyoto (2014:174) stated marketing channels is a group of traders and agents of companies that combine physical and transfer between the name of a product to create usability for specific markets.
According to Swastha and Dunlap in Yanri (2013:271), as for all kinds of consumer goods distribution channels are:
1. Producer-consumer
2. Producer – Retailer – Consumer
4. Producer – Agent - Retailer – Consumer
5. Producer – Agent Wholesalers – Retailer - Consumer

Strategy Marketing Business to Business
Business to Business interaction is trading with internet network between business, i.e., the buyer of the products sold by the seller instead of the end consumer however fabrication or effort per puppets, which purchased products will be processed again or sold directly to the end consumer (Rayport and Bernard in Jonathan, 2012:26).
Business to business characteristics can also be explained from the characteristics of the medium used, as stated by Andam in Jonathan (2012:27) that the characteristics of the business-to-business media partner to get involved in trading (trading partner). Its characteristics are:
1. Trading Partners are already known and generally have a relationship (relationship) that is long enough.
2. Exchange of data (data exchange) took place – and returning periodically
3. One perpetrator can make the initiative to transmit data
4. Commonly used Model is peer-to-peer
ANALYTICAL MODEL

![Analytical Model Diagram]

RESEARCH METHODS
The research method used was qualitative as research that generates descriptive data in the form of the written word or spoken of people and behavior observed (Moleong, 2013:4). Type a descriptive nature of the research, which means a study that attempted to describe a phenomenon or event systematically with what fits the facts that happened (Dantes, 2012:51). While the research approach used is observe, through interviews and documentation with the company, its sister company, and purchase. The analysis undertaken include analysis of a general overview of the company's internal environment analysis, which includes the analysis of competition in the industry with Porter's Five Forces Model, the analysis of the external environment that includes political analysis, economic analysis, social analysis, and analysis technology. Next do a SWOT analysis and the determination of the position of the company as well as a selection of alternative strategies using the SWOT matrix.

RESULT AND DISCUSSION
Before will be discussed in advance about the business strategy of the company has been done based on the evaluation of the performance of management company.

Internal environment analysis
1. Analysis of the threat of new entrants, the logistics industry has a broad market in Indonesia, so it is an opportunity for new settlers to start a business logistics. Therefore, a price quote as well as build trust is a factor in the consideration of the new arrivals.
2. Analysis of threat of product substitution, the substitution has 3 industrial products include Naval, air, and land, but every sector has its advantages and disadvantages of each and every sector have different segmentation
3. Analysis of the rivalry among existing competitors, inside are logistics, the company has its own way in pampering the customers with the goal of providing value added so that customers feel satisfied and with competitive prices.
4. Analysis of the bargaining power of buyers, the logistics industry has the bargaining power of buyers due to the relatively high abundance of similar companies so that buyers have many choices.

5. Analysis of the bargaining power of suppliers, bargaining power has a logistics industry of suppliers, relatively high because suppliers have the power to regulate power in setting prices.

The results of this internal analysis will produce side of strengths and weaknesses.

His powers include always keeping good relations by giving the best services to consumers in order to feel satisfied, such as the timely delivery of the goods and the goods to the destination safely, and provide competitive prices.

His weaknesses include a limited number of the fleet market with Indonesia so wide, but the extent of the Indonesian market makes new competitors popping up which resulted in a price war between the companies.

External Environment Analysis

1. Analysis of the political, logistical industry is strongly influenced by Government policies, especially policy in determining its fuel.

2. Analysis of the economy, the economy of Indonesia is currently declining, can be seen from the weakening economy of the Rupiah exchange rate against the US Dollar so that the purchasing power of consumers downhill and loads of stuff come along deserted.

3. Social Analysis, with the condition of the economy is not good and loads of stuff, but the needs of the growing community of life which makes logistics companies can survive despite its influence very little.

4. Analysis of the technology, with technology over time, developing more advanced and makes the company helped very much like in terms of communication with consumers and also to track the whereabouts of the fleet.

The results of this external analysis will produce side of opportunities and threats.

The current Government opportunities, prioritize infrastructure for logistics costs, and with the development of today's technology make it easy to control the fleet-fleet owned and can also reach consumers are wider with the advancement of technology.

While the threats that may occur with the weakening of the Rupiah exchange rate against the U.s. Dollar makes the cost of vehicle fuel is getting expensive, and also goods mainly imported necessities of life are increasingly expensive to make consumer purchasing power will decline.

Analysis SWOT

The results of these analyses give an overview about the description of the position and the company's presence in the industry. It is included in the groups that will be the strengths, weaknesses, opportunities, and threats.

Based on the identification of internal and external variables, then the table analysis of internal factors (IFAD) external factors and tables (EFAS) can be made. Here's how by giving a weighting and rating. The weighting is based on the primacy of relative to competitors who started from 1.0 (very important) to 0.0 (not important) and amount may not exceed the total score 1.00 while awarding a rating based on the predictions and the ability of the company in the future starting from 4 (very strong), 3 (strong), 2 (fairly strong), and 1 (less).

<table>
<thead>
<tr>
<th>No</th>
<th>Deciding Factor</th>
<th>Weight</th>
<th>Rating</th>
<th>Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Already has regular customers</td>
<td>0.139</td>
<td>4</td>
<td>0.554</td>
</tr>
</tbody>
</table>
2. Friendly service | 0.099 | 3 | 0.297
3. Deliveries on time as well as safe and reliable | 0.119 | 4 | 0.475
4. Competitive prices | 0.149 | 4 | 0.594
5. Employees are loyal and experienced | 0.119 | 3 | 0.356

**Total Strength** | 2.277

**Weakness:**
1. The number of the fleet a little bit | 0.099 | 3 | 0.297
2. Territory of distribution only Java to Bali | 0.069 | 2 | 0.139
3. High supplier bargaining power | 0.119 | 3 | 0.356
4. High buyer bargaining power | 0.089 | 2 | 0.178

**Total Weakness** | 0.792
**Total Internal Factors** | 1.000 | 3.069

**Table 2. Analysis External Factor (EFAS)**

<table>
<thead>
<tr>
<th>No</th>
<th>Deciding Factor</th>
<th>Weight</th>
<th>Rating</th>
<th>Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Policy of President Jokowi in prioritizing infrastructure</td>
<td>0.124</td>
<td>3</td>
<td>0.372</td>
</tr>
<tr>
<td>2</td>
<td>The rising standard of Living Worth Growing</td>
<td>0.080</td>
<td>2</td>
<td>0.159</td>
</tr>
<tr>
<td>3</td>
<td>Growing GPS Technology</td>
<td>0.115</td>
<td>3</td>
<td>0.345</td>
</tr>
<tr>
<td>4</td>
<td>The development of the technology in sales promotion activities</td>
<td>0.124</td>
<td>3</td>
<td>0.372</td>
</tr>
</tbody>
</table>

**Total Opportunities:** | 1.248

| Threats: | |
| 1  | Subsidized FUEL policy and defection | 0.133 | 4 | 0.531 |
| 2  | Government regulations are not arranged yet | 0.106 | 2 | 0.212 |
| 3  | The weakened Rupiah exchange rate | 0.115 | 2 | 0.230 |
| 4  | The Indonesian economy weakened | 0.106 | 3 | 0.319 |
| 5  | Increasing minimum wages | 0.097 | 2 | 0.195 |

**Total Threats:** | 1.487
**Total External Factor** | 2.735

From the table above, is obtained from the difference between the reduced strength of factors of weakness of 1.485 and difference of a factor of opportunity reduced threat of -0.239 so obtained the following picture
The conclusion of the SWOT analysis carried out by the logistics services company UD. XYZ position that conglomerate strategy. Conglomerate strategy is a strategy to add a product or service that is not interconnected with the purpose of different marketplace.

CONCLUSION
From the results of research about the 'business strategy at Business to Business in order to Increase Turnover sales in the company's service delivery UD. XYZ' can be drawn the conclusion that the formulation of a strategy based on the results of the analysis that has been done to the company's external and internal environment with SWOT analysis. With regards to such matters can be formulated the strategies set at UD. XYZ, namely marketing strategy and increasing the company's competitiveness strategy (strategy ST).

a. Marketing strategy,
   marketing strategy is a program to define and achieve the objectives of the organization by implementing its mission. Therefore, the Organization had an important relationship in the formation of marketing strategy.

b. Increasing the company's competitiveness Strategy
   UD. XYZ performs policy formulation – policy management. Evaluate what has become the vision, mission, and goals of the company so that it will create a sustainable competitive advantage, for example by means of a focus on delivery in territories that more potential, and communicate with customers who could potentially do a bigger shipment, in which case the party of the company or the industry.

c. Pricing policy strategy to compete with competitors that are tailored to the market price
   Customers of the company or industry is very sensitive to price. It should be noted the company's management in the formulation of the final price, which will be released to the market, such as considering the level of consumer confidence by increasing the cost of shipping insurance.
For further research, there are some suggestions on refining this study, or even find the new model. The suggestion are as follows:

1. Adding the analysis, quantitative methods to compare research results obtained from consumers outside the company.
2. Adding the qualitative analysis methods by adding methods STP (segmenting, targeting, positioning).
3. Adding analysis to 7P marketing mix (product, price, place, promotion, participant, process, and physical evidence).
4. Add the data analysis with the latest government policy from 2016 onwards.

REFERENCES


